

MINUTES
REGULAR MEETING
BOARD OF TRUSTEES
THE SOCORRO ELECTRIC COOPERATIVE, INC.

September 23, 2020

INDEX

The Regular Meeting of the Board of Trustees of The Socorro Electric Cooperative, Inc. (SEC), held on Wednesday, September 23, 2020, at 310 Abeyta Ave, Socorro, New Mexico.

CALL TO ORDER

The meeting was called to order at 2:00 p.m. by Anne Dorough, President.

ROLL CALL

Secretary Bustamante called the roll and reported those present and attending as follows:

TRUSTEES PRESENT: Anne L. Dorough, President (via teleconference)
 Representative, District 5

 Paul Bustamante, Secretary/Treasurer (via teleconference)
 Representative, District 1

 James Nelson, Trustee (via teleconference)
 Representative, District 2

 Leroy Anaya, Trustee (via teleconference)
 Representative, District 3

 Donald Wolberg, Trustee (via teleconference)
 Representative, District 3

 Michael Hawkes, Trustee (via teleconference)
 Representative, District 4

TRUSTEES ABSENT: Luis Aguilar, Vice-President (via teleconference) *

 Representative, District 3

ALSO, PRESENT: Joseph Herrera, General Manager
 Donna Wilkins, Administrative Assistant
 Ronnita Montoya, Accounting Supervisor (via teleconference)
 David Montoya, Safety Compliance Officer (via teleconference)
 Steve Dettmer, Line Superintendent (via teleconference)
 Marilyn Madrid, Member Services Supervisor (via teleconference)
 Jimmy Capps, Director of Communications and Public Affairs (via
 teleconference)
 Lorna Wiggins, Attorney, Wiggins, Williams, and Wiggins (via
 teleconference)

SEC MEMBERS PRESENT: None; due to Governor Lujan-Grisham executive order restricting all groups to no more than ten (10) individuals.

QUORUM

Secretary Bustamante declared a Quorum of Trustees present.

PLEDGE OF ALLEGIANCE

Manager Herrera led everyone in the Pledge of Allegiance.

CONSIDERATION AND APPROVAL OF AGENDA

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Trustee Wolberg made a motion to approve the Agenda as presented; motion seconded by Trustee Anaya.

President Dorough approved the Agenda as presented.

CONSIDERATION AND APPROVAL PREVIOUS MINUTES

Trustee Nelson had a correction to the August 26, 2020 minutes.

Trustee Anaya made a motion to approve the minutes from August 26, 2020, as corrected; motion seconded by Trustee Wolberg.

President Dorough approved the minutes from August 26, 2020, as corrected.

MEMBER COMMENTS

Manager Herrera reported that no Members had called in or were present for Member Comments.

MANAGER'S REPORT

Manager Herrera reported on the expenditure check register totaling \$891,360.47 for August 2020 and answered questions posed by the Trustees.

* Trustee Aguilar signed into the meeting during this agenda item at 2:10 p.m.

President Dorough thanked Manager Herrera for the Expenditure Report for August 2020.

Manager Herrera reported on the Visa credit card expenditures complete with supporting receipts made available to the Board of Trustees for August 2020.

President Dorough thanked Manager Herrera for the credit card report for August 2020.

Manager Herrera provided the Engineering Report stating that SEC had received payment from Socorro Consolidated Schools for the assessment fee for fiber attachments from Socorro to the Midway Elementary and San Antonio Elementary schools. Manager Herrera stated with the fee paid, the assessment report was provided to Socorro Consolidated Schools for review. Manager Herrera explained that if Socorro Consolidated Schools want to move forward, the next steps would be to pay the engineering design and construction cost fees. Manager Herrera reported that Tucson Electric is moving forward with a 100-megawatt wind farm near Quemado and they have requested station power from SEC. Manager Herrera stated this will require a line extension of 1.8 miles which will feed two 100 kVA transformers. Manager Herrera stated that Magellan Pipeline is looking at doubling their capacity and bringing on additional pumping stations.

President Dorough thanked Manager Herrera for the Engineering Report for August 2020.

Manager Herrera concluded by reporting that SEC had received patronage capital credit refunds from Western United Electric Supply Corp and Cooperative Response Center, as well as scholarship, thank you cards.

President Dorough thanked Manager Herrera for the Manager's Report for August 2020.

FINANCIAL REPORT

Ms. Montoya carefully reviewed in detail the RUS Form 7 Report for August 2020.

President Dorough thanked Ms. Montoya for the RUS Form 7 Report for August 2020.

SAFETY COMPLIANCE REPORT

SAFETY REPORT

Mr. Montoya reviewed the August Safety Report and proceeded to answer questions posed by the Trustees.

JOB BRIEFING

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Mr. Montoya reviewed the August Job Briefing Reports.

President Dorough thanked Mr. Montoya for the Safety Compliance Report for August 2020.

OPERATIONS AND MAINTENANCE REPORT

CONSTRUCTION/MAINTENANCE REPORT

Mr. Dettmer reported on August activities that crews trimmed or cut down 195 trees. Mr. Dettmer stated that 69 service orders had been completed, with 15 of those being area light issues. Mr. Dettmer reported crews completed for August 28 work orders and closed five (5) work orders.

OUTAGE REPORTS

Mr. Dettmer reviewed several major outages that either affected over 100 members or those for which the length of the outage was lengthy.

President Dorough thanked Mr. Dettmer for the Operations and Maintenance Report for August 2020.

MEMBER SERVICES REPORTS

ENERGY DELINQUENT REPORT

Ms. Madrid presented the Energy Delinquent Report for August 2020 and proceeded to answer questions posed by the Trustees.

NM PRC MEMBER CONCERNS

Ms. Madrid reported that SEC had no Member complaints filed with the NMPRC in August 2020.

President Dorough thanked Ms. Madrid for the Member Services Report for August 2020.

COMMUNICATIONS AND PUBLIC AFFAIRS REPORT

Mr. Capps reviewed the July Communications and Public Affairs Report and proceeded to answer questions posed by the Trustees.

President Dorough thanked Mr. Capps for the Communications and Public Affairs Report for August 2020.

TRI-STATE REPORT

Trustee Anaya gave the Tri-State Board of Director's activities report for September 2020.

President Dorough thanked Trustee Anaya for the Tri-State Report.

NMRECA REPORT

Trustee Wolberg gave the NMRECA report for September 2020.

President Dorough thanked Trustee Wolberg for the NMRECA Report.

MRGEDA REPORT

Trustee Wolberg reported on the MRGEDA activities for September 2020.

President Dorough thanked Trustee Wolberg for the MRGEDA Report.

PRESIDENT'S REPORT

President Dorough reported that Trustee Hawkes has a lot on his plate in which there have been some conflicts with him being able to attend the Standing Committee meetings. President

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Dorough stated that there would be a change within the Standing Committee with Trustee Nelson replacing Trustee Hawkes.

FINANCE COMMITTEE REPORT

Trustee Aguilar reported on the Finance Committee Meeting held on September 16, 2020, with recommendations to the full Board of Trustees.

President Dorough thanked Trustee Aguilar for the Finance Committee Reports.

STANDING COMMITTEE REPORT

Trustee Anaya reported on the Standing Committee Meeting held on September 16, 2020, with recommendations to the full Board of Trustees.

President Dorough thanked Trustee Anaya for the Standing Committee Report.

PERFORMANCE EVALUATION COMMITTEE REPORT

Trustee Nelson reported on the Performance Evaluation Committee Meeting held on September 16, 2020, with a recommendation to the full Board of Trustees

President Dorough thanked Trustee Nelson for the Performance Evaluation Committee Report.

NEW BUSINESS

Consideration of 2020 Office Vehicle Quotes

Manager Herrera reported that the Finance Committee had reviewed quotes for two (2) crossover SUVs and one (1) large SUV, and the Committee recommended that the Board approve these purchases using the quotes as the price ceiling.

After discussion, Trustee Wolberg made a motion to accept the Finance Committee's recommendation of purchasing two (2) crossover SUVs and one (1) large SUV with the larger engine capacity; motion seconded by Trustee Bustamante.

A roll call vote was conducted by President Dorough and is as follows:
Yes: Trustee Aguilar, Anaya, Bustamante, Hawkes, Nelson, and Wolberg
No: None
Motion carried unanimously.

Consideration of Patronage Capital Retirement

Manager Herrera reported that the Finance Committee had reviewed the proposed Patronage Capital Retirement options and the Committee recommended that the Board approve the Patronage Capital Retirement for 1993.

Trustee Anaya made a motion to accept the Finance Committee's recommendation to approve Patronage Capital Retirement for 1993; motion seconded by Trustee Aguilar.

A roll call vote was conducted by President Dorough and is as follows:
Yes: Trustee Aguilar, Anaya, Bustamante, Nelson, and Wolberg
No: None
Motion carried unanimously.

Board Policy 121 – Securing Confidential Member and Employee Data While Retaining and Destroying Records

Manager Herrera reported that the Standing Committee reviewed Board Policy 121 – Securing Confidential Member and Employee Data While Retaining and Destroying Records, and the Committee recommended that the Board approve Board Policy 121 – Securing Confidential Member and Employee Data While Retaining and Destroying Records with revisions.

Trustee Anaya made a motion to accept the Standing Committee's recommendation revisions of Board Policy 121 – Securing Confidential Member and Employee Data While Retaining and Destroying Records; motion seconded by Trustee Nelson.

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A roll call vote was conducted by President Dorough and is as follows:

Yes: Trustee Aguilar, Anaya, Bustamante, Hawkes, Nelson, and Wolberg

No: None

Motion carried unanimously.

Board Policy 132 – Member Access to Cooperative's Financial & Management Information Policy

Manager Herrera reported that the Standing Committee reviewed Board Policy 132 – Member Access to Cooperative's Financial & Management Information Policy. Manager Herrera stated this also addresses the Board's concern that came up at the August Board meeting with the member names for the capital credits on the Board minutes, and reports available to members request that ties back to Board Policy 121 – Securing Confidential Member and Employee Data While Retaining and Destroying Records. Manger Herrera stated the Committee recommended that the Board approve Board Policy 132 – Member Access to Cooperative's Financial & Management Information Policy with revisions.

Trustee Wolberg made a motion to accept the Standing Committee's recommended revisions to Board Policy 132 – Member Access to Cooperative's Financial & Management Information Policy; motion seconded by Trustee Bustamante.

A roll call vote was conducted by President Dorough and is as follows:

Yes: Trustee Aguilar, Anaya, Bustamante, Hawkes, Nelson, and Wolberg

No: None

Motion carried unanimously.

Board Policy 515 – Foundation Awards

Manager Herrera reported that the Standing Committee reviewed Board Policy 515 – Foundation Awards, and the Committee recommended that the Board approve Board Policy 515 – Foundation Awards with revisions.

After discussion, Trustee Aguilar made a motion to accept the Standing Committee's recommended to Board Policy 515 – Foundation Awards with revisions; motion seconded by Trustee Nelson.

A roll call vote was conducted by President Dorough and is as follows:

Yes: Trustee Aguilar, Anaya, Bustamante, Hawkes, Nelson, and Wolberg

No: None

Motion carried unanimously.

General Manager/CEO Evaluation

Trustee Nelson reported on the changes proposed by the Performance Evaluation Committee to the General Manager/CEO Evaluation.

Trustee Aguilar made a motion to accept the Performance Evaluation Committee's recommendation to the General Manager/CEO Evaluation; motion seconded by Trustee Wolberg.

A roll call vote was conducted by President Dorough and is as follows:

Yes: Trustee Aguilar, Anaya, Bustamante, Hawkes, Nelson, and Wolberg

No: None

Motion carried unanimously.

President Dorough reported that the General Manager/CEO Evaluation will be used this year to evaluate the General Manager and thanked the Committee for their hard work. President Dorough stated the Performance Evaluation Committee would be dissolved.

Communication Tower Attachment Agreement

Manager Herrera reported that the Integrated Technologies Group (ITG) had returned the Tower Attachment agreement developed by SEC General Counsel Bruce Wiggins. Manager Herrera stated that ITG has an attachment to the SEC tower and shelter located on the M-Mountain. Manager Herrera stated a fee would be assessed for this attachment and five-year agreement, but if ITG gave us proper notice, the agreement would terminate, and ITG would remove their equipment. Manager Herrera recommended that the Board of Trustees approve the Tower Attachment Agreement with ITG.

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After discussion, Trustee Aguilar made a motion to postpone the approval of the Tower Attachment Agreement with ITG until the October Board meeting; motion seconded by Trustee Wolberg. Motion carried unanimously.

Consideration of Capital Credit Estate Retirements

Manager Herrera reported that SEC General Counsel Lorna Wiggins Esq. had previously reviewed the Patronage Estate Capital Retirement requests as provided in the Trustee's BoardPaq. Ms. Wiggins reviewed the retirement documents and stated that they appeared to be in order and were ready for the Board's consideration:

ESTATE RETIREMENTS:

	Operating Margins	Plains G&T	Investment in Associated Organizations	Cushion of Credit & Other Non-Ops	Tri-State	Gains	Unpaid Balance	Total	Total without Tri-State
Estate Member A	\$358.58	\$7.55	\$37.60	\$26.89	\$185.19	\$0.00	\$0.00	\$615.81	\$430.62
Estate Member B	\$341.99	\$0.36	\$33.77	\$26.64	\$175.26	\$0.00	\$0.00	\$577.32	\$402.06

Total number of Joint Account Estate Retirements: two (2) members

	Operating Margins	Plains G&T	Investment in Associated Organizations	Cushion of Credit & Other Non-Ops	Tri-State	Gains	Unpaid Balance	Total	Total without Tri-State
Joint Member A	\$252.90	\$10.16	\$20.52	\$13.40	\$85.09	\$0.00	\$0.00	\$382.07	\$296.98
Joint Member B	\$309.43	\$8.97	\$23.60	\$15.70	\$104.81	\$0.00	\$0.00	\$462.51	\$357.70

After discussion, Trustee Anaya made a motion to approve the Retirement of Patronage Capital as presented, absent any Tri-State allocations, to the accounts mentioned above; motion seconded by Trustee Wolberg.

A roll call vote was conducted by President Dorough and is as follows:
 Yes: Trustee Aguilar, Anaya, Bustamante, Hawkes, Nelson, and Wolberg
 No: None
 Motion carried unanimously.

Consideration of Line Extension Contracts

There were no Line Extension Contracts brought forth for consideration.

Consideration of Trustee Travel

Trustee Anaya, Nelson, Wolberg, and President Dorough requested Board approval to attend the NRECA Online Regional Week being held online.

Trustee Anaya made a motion to approve Trustee Anaya, Nelson, Wolberg, and President Dorough to attend the NRECA Online Regional Week being held online; motion seconded by Trustee Bustamante.

A roll call vote was conducted by President Dorough and is as follows:
 Yes: Trustee Aguilar, Anaya, Bustamante, Hawkes, Nelson, and Wolberg
 No: None
 Motion carried unanimously.

EXECUTIVE SESSION

Trustee Nelson made a motion to go into Executive Session to discuss potential litigation and employment matters; motion seconded by Trustee Wolberg. Motion carried unanimously.

President Dorough called for an Executive Session.

The Board adjourned to Executive Session at 4:01 p.m.

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REGULAR SESSION

Trustee Anaya made a motion and seconded by Trustee Nelson to return to Regular Session at 4:15 p.m. Motion carried unanimously

President Dorough stated that there was no action taken during Executive Session.

SET DATE/TIME FOR REGULAR MEETING

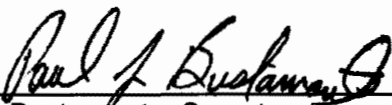
Trustee Anaya made a motion to set the date and time of Committee meetings for October 21, 2020, and the next regularly scheduled Board Meeting for October 28, 2020, at 2:00 p.m.; motion seconded by Trustee Nelson. Motion carried unanimously

ADJOURNMENT

There being no other items open for discussion, Trustee Bustamante moved to adjourn; motion seconded by Trustee Wolberg. Motion carried unanimously.

President Dorough adjourned the meeting at 4:16 p.m.

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Paul Bustamante, Secretary/Treasurer

APPROVED:



Anne Dorough, President

I, Paul Bustamante, do hereby certify that I am the Secretary of the Board of Trustees of The Socorro Electric Cooperative, Inc., herein called the "Cooperative," and the above is a true and exact copy of the Minutes of the Regular Meeting held on September 23, 2020. A Quorum of Trustees was present and acted upon throughout the meeting, and none of the Minutes of the above have been rescinded or modified.



Paul Bustamante, Secretary/Treasurer